

SENATE CONCURRENT RESOLUTION NO. 13

WHEREAS, the State of Missouri, as an employer, established goals to recruit and retain employees with the objective of providing the highest quality of services to its citizen taxpayers of this state; and

WHEREAS, the State of Missouri has adopted a comprehensive benefit package for retention of its state employees which includes a defined benefit structure; and

WHEREAS, the State of Missouri has two separate retirement systems for state employees with similar benefit provisions; and

WHEREAS, the Joint Committee on Public Employee Retirement presented a report to the Missouri General Assembly addressing the issues related to the possible merger of state employee retirement systems identifying the effect of consolidation on the two systems, including:

- (1) Effect on the boards responsible for administering benefits and the impact on fiduciary duties, and governance;
- (2) Effect on funding and contribution rates and the impact on differing actuarial assumptions and methods;
- (3) Effect on investments, including returns, asset allocations, investment policies, expertise, efficiencies, expenses, economies of scale and the impact on consultants and fund managers;
- (4) Similarities and differences in retirement plan provisions, including the disability retirement, long-term disability and life insurance plans;
- (5) Impact on benefit services, information technology, records management, accounting and auditing information and other issues encompassing administrative functions;
- (6) Impact on membership which including active employees, retirees, survivors and disabled members; and

WHEREAS, ensuring the current benefit structure providing financial security in an equitable and cost-effective manner is in the best interest of the State of Missouri:

NOW THEREFORE BE IT RESOLVED that the members of the Missouri Senate, Ninety-Third General Assembly, First Regular Session, the House of Representatives concurring therein, hereby wish to seek a fiscally responsible solution providing future cost containment and eliminating ineffective duplication of benefit plan administration; and

BE IT FURTHER RESOLVED that, we hereby establish the "State Retirement Consolidation Commission" whose task will be to analyze the issues and objectives set forth above. The commission shall be composed of the following members:

- (1) Two members of the Missouri Department of Transportation and Highway Patrol Employees' Retirement System Board of Trustees appointed by the Governor;
- (2) Two members of the Missouri State Employees' Retirement System Board of Trustees appointed by the Governor;
- (3) Chair and Vice Chair of the Joint Committee on Public Employee Retirement;
- (4) Commissioner of Administration;
- (5) Director of the Missouri Department of Transportation;
- (6) Colonel of the Missouri State Highway Patrol; and

BE IT FURTHER RESOLVED the State Retirement Consolidation Commission shall commence immediately and shall terminate operations on December 31, 2005. The State Retirement Consolidation Commission shall furnish clear and concise policy recommendations and legislative proposals for consideration in the second regular session of Ninety-Third General Assembly.

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